licences to come here and manufacture all type of such phone services?

SHRI RAJESH PILOT: On this subject a lot of people have met me and we have been having mutual discussions. About the time-schedule, Government plans to initiate the service at an earliest, maybe, by the end of this year or maybe, by the beginning of the next year. The correct time-schedule could only be given after finalising the offer from some individual compaines or firms. After discussing with them I will be able to give the exact date, but for the information of the House, it should be beginning of the next year.

SHRI YASHWANT SINHA: Has any assessment of the demand for cellular car telephones been made for India and based on that, do they feel that any such manufacturing facility in this country will be economically viable? If the local demand is not able to support this and make it economically viable, what is the percentage of production which must be exported? Has any broad framework been prepared of such estimates before we plunge ourselves into this? The Minister has just now said that there will be no outgo of foreign exchange, there will be inflow, but I know and I am sure the Minister and the Finance Minister know of a number of cases where we started with such a promise, but late such promises have been belied, they have not been kept. What are the safeguards that we are going to adopt to make sure that this commitment is kept?

SHRI RAJESH PILOT: About the first part of the question asked by the hon. Member, we have put one of the conditions and we have clarified to the bidders that they have got to manufacture here—ultimately, not the first time that they come and manufacture and then give the service. We have put a clause that there should be a long-term manufacturing process here. So, that has been taken care of.

About the second part, I can assure the hon. Member that at this juncture we are firm because not a single paisa is going to spent from the Exchequer, no money is going to spent by the Government. It is totally be those people who are interested to serve. Rather, we will be collecting money at a later stage as licence fee or some other levy that we are going to put. This is that I have put in my first answer. The idea is to get money from these firms in the form of levy or fee and use that moeny for rural communication or rural connectivity. So, that part will be taken care of. I do not think there will be any day when we will have to struggle because we have nothing to do with it. Anybody who is going to give service, is going to give his offer.

SHRI YASHWANT SINHA: What about the dividend or the royalty payment which foreign firms always demand? What is going to happen to that? Are they going to take any money out of the country by way of royalty for the technology, by way of dividend for the production facility that they will be setting up?

SHRI RAJESH PILOT: Royalty to whom? Government has nothing to do. There is a private firm. The Indian franchise will be there. We will have the understanding between that firm and the Indian franchise. Whatever details the Member wants to know, I will be able to give him after some discussions take place between the concerned party and the Department.

MR. CHAIRMAN: Question No. 422.

Appointment of technocrat as Chief Executive of Indian Airlines

*442. SHRI RAJNI RANJAN SAHU: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether it is a fact that the concept of appointing Chief Executive from amongst the technocrats has been shelved by Indian Airlines;

(b) what is the procedure of selection of Chairman-cum-Managing Director for Indian Airlines;

(c) whether the posts of Chairman-cum-Managing Director and other Directors of the Board have been filled up or not; and

(d) what are the principles laid down for appointment on such Board?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA): (a) to (d) A statement is laid on the Table of the Sabha.

Statement

(a) and (b) The Chairman-cum-Managing Director of Indian Airlines is appointed by the Government in consultation with the Public Enterprises Selection Board.

(c) and (d) Pending appointment of a regular incumbent, the post of Chairman-cum-Managing Director is presently held by a Joint Secretary in the Ministry of Civil Aviation and Tourism. Constitution of the Board of Directors of Indian Airlines is governed by Section 4 of the Air Corporations Act, 1953. The present Board consists of eight Directors.

SHRI RAJNI RANJAN SAHU: Mr. Chairman, Sir, I have asked a question about the concept for appointing the Chief Executive of the Indian Airlines but the Hon. Minister, in his reply, has stated *the practice and procedure*. I wanted to know the concept. Anyway, I will ask my first supplementary based on the reply itself.

Sir, the Indian Airlines is a prestigious public sector undertaking, and I have come to know that the average tenure of its Cheif Executive has been only 11/2 years during the last 10 years. All the time we are saying that the public sector undertakings should be given autonomy and the Chief Executive should have accountability but, because of the frequent change of the Chief Executive, this is being frustrated. Sir, I would like to know from the hon. Minister (a) since how long the post of Chief Executive of the Indian Airlines has been lying vacant; (b) when he is going to fill up this post of Chief Executive; and (c) whether he will assure the House that technocrats will be appointed for such prestigious Corporations in the larger interest of the public sector undertakings.

SHRI MADHAVRAO SCINDIA: Sir, the post of Chief Executive is not vacant. Mr. Banerjee is holding charge—he is the acting CMG. However, the earlier permanent CMG has resigned on the 24th of December. So, from that point of view, from the 24th of December the post has been lying vacant. We have already written to the Public Enterprises Selection Board and they are in the process of holding interviews and, after that, whether it is a technocrat or a non-technocrat will really be decided in consultation with the Public Enterprises Selection Board.

SHRI RAJNI RANJAN SAHU: Sir, my second supplementary: There has been, altogether, eight Corporations under the Ministry of Civil Aviation and Tourism and all the Corporations have got their own memorandums of association or bye-laws. Both Indian Airlines and Air India are, to some extent, similar type of public sector undertakings. So, will the hon. Minister assure the House that the rules and conditions of Indian Airlines and Air India will be made similar for the appointment of the Chief Executive?

SHRI MADHAVRAO SCINDIA: Sir, the Chairman-cum-Managing Director is appointed by the Government in exercise of the powers under section 4 and section 8 of the Air Corporations Act. So, they are similar from that point of view and certainly they will be appointed in accordance with the existing regulations.

SHRI RAJNI RANJAN SAHU: Sir, my qustion is not being replied to. I asked about the rules and conditions in Indian Airlines and Air India.

MR. CHAIRMAN: He said, the same.

SHRI RAJNI RANJAN SAHU: No.

SHRI MADHAVRAO SCINDIA: They both are governed under the Air Corporations Act.

MR. CHAIRMAN: They govern both.

SHRI DINESHBHAI TRIVEDI: Sir, when it comes to appointment or promotion in the Indian Airlines—and I say with full responsibility—there are two standards. One is for people who have got connections, political or otherwise, and the other is for people who have no connections at all—and they suffer like anything. This is a very pertinent question which concerns safety, and I have been talking about it at all possible forums available to me. But I am afraid that there is an effort to mislead even Parliament, and I have got documentary proof to that effect. It is a question of management of Human resources and the motivation factor cannot be brought about if you have two standards.

Sir, the eastern region at the moment is going through go-slows. There was

forcelanding yesterday of a Soviet plane 28 km. away from Calcutta because there are go-slows, and all sorts of things are happening because the morale of the people is so down, and there is every reason to be down. I have been mentioning, Sir, that one particular senior, very senior examiner, test pilot, what have you, has flouted all the safety norms. I have mentioned it on the floor of the House. But I was misled. I have got the documentary proof. Nothing has happened to him. On the contrary, does the Minister know that senior people who are going to retire in April, are being sent for training as examiners? After all, who is losing the money? Would the Minister please answer whether he is aware that senior pilots who are just going to retire in April, are being sent only a few days before for training as examiners? How is the Airlines going to be benefited out of such practices? Where you are making losses, what is the big idea of sending such pilots where you are not going to get anything out of it?

What is the hon. Minister doing to have this standardised as far as promotions and appointments are concerned because there is too much of interference? Would he agree to it or not?

SHRI MADHAVRAO SCINDIA: Sir, I thank the hon. Member for having educated me in great detail about something which is not relevant to this particular question. Therefore, I would like a separate notice for this.

MR. CHAIRMAN: It becomes relevant because this is about the appointment of the Chief Executive.

SHRI DINESHBHAI TRIVEDI: I need your protection, Sir. It is relevant. It is question of appointment.

SHRI VIREN J. SHAH: Pilots are being sent for training as examiners. He can answer "Yes" or "No".

SHRI MADHAVRAO SCINDIA: Sir, I will read the question again. The question pertains to the appointment of CMD of the Indian Airlines, and it goes on to talk about the Board. So, I would certainly answer "Yes" or "No" if a relevant question is put.

MR. CHAIRMAN: The question, according to me, is relevant. It is a question of the Chief Executive, and the Chief Executive does this. He wants to know whether it is so. You can definitely say, if it is so, you will not do it. That is all.

SHRI MADHAVRAO SCINDIA: Sir, he is not talking about the Chief Executive.

MR. CHAIRMAN: If there is a pilot who is going to retire in April, you are sending him for training in March.

SHRI MADHAVRAO SCINDIA: No, Sir. The question is about the CMD.

MR. CHAIRMAN: Yes, the CMD does it. Who does it?

SHRI MADHAVRAO SCINDIA: Who does what? The appointment....

MR. CHAIRMAN: Who decides this? The question is very simple. No one arguing. The question is very simple. They say, you have got a non-technocrat, and being a non-technocrat he is sending a pilot for training when he is going to retire the next month.

SHRI MADHAVRAO SCINDIA: That is a matter....

MR. CHAIRMAN: According to me, it is relevant. If you don't have the information, say so. That is all. Otherwise, if you have to go to the General Manager and all that, then.....

SHRI MADHAVRAO SCINDIA: Certainly I will give.

MR. CHAIRMAN: You give the information. Why hold it? That is all.

SHRI JAGESH DESAI: Mr. Chairman, Sir, it is very unfortunate. The COPU has recommended in the year 1987 after due deliberations on the public sector undertaking in 1987 or 1988—I don't remember the year, but I was a Member of the Committee—that the CMD must be a technocrat. But for five years the Government has not taken any decision. Are these Committees meant only for the purpose of having committees? I want to know whether the Government is taking these Committees seriously or not.

Sir, the Indian Airlines was in profit. Now in this year it is in loss of Rs. 200 crores. The Airlines are used not even by 0.1 per cent of the public of this country. Are we going to subsidise this by having this kind of an arrangement when there is

no CMD who is a technocrat, and at present it is headed by a Joint Secretary?

Sir, I would like an assurance from the Ministry—though it is the Public Enterprises Committee that decides the appointment, guidelines should be given by the Government—that if a technocrat is available, then, the technocrat should be appointed as the CMD. Whether the Government is going to take that kind of a decision or not, I would like to have an assurance from the Minister.

SHRI MADHAVRAO SCINDIA: Sir, at present the appointment is done in accordance with the guidelines for filling up of posts in public enterprises laid down by the Government. This is the procedure that is intended to be followed. However, the hon. Member has talked about a particular Committee. I would certainly go into the matter.

SHRI JAGESH DESAI: Sir, I said it is COPU. It is a committee of both Houses of Parliament.

SHRI MADHAVRAO SCINDIA: I didn't hear it.

MR. CHAIRMAN: I think he knows about this Committee.

SHRI MADHAVRAO SCINDIA: But at present it is governed under the guidelines which are laid down for the appointment of Chief Executive by the PESB.

SHRI JAGESH DESAI: That means the Government does not care for the Committees. Four years have passed and the Government is sitting over it. *(Interruptions)*

SHRI CHIMANBHAI MEHTA: Sir, this is a relevent question.

SHRI VIREN J. SHAH: It is a Committee connected with this business.

SHRI DIGVIJAY SINGH: Sir, the Minister has not come forward with the answer.

SHRI MADHAVRAO SCINDIA: I will find out from the minutes of the COPU, the Committee which you are talking about.

श्री राघवजी: सभापति जी, सार्वजनिक उपक्रम समिति एक बहुत महत्वपूर्ण समिति होती है और उसकी सिफारिशों के बारे में माननीय मंत्री जी को पता नहीं है, यह बड़े आश्चर्य की बात है। मेरा प्रश्न यह है कि जब सी॰एम॰डी॰ रिटायर होते हैं तो तारीख मालूम होती है कि रिटायर कब होने वाले हैं। तो पूर्व में ही तैयारी कर लेनी चाहिये थी। क्या मंत्रालय ने पूर्व से ही चयन बोर्ड को यह लिखा था कि वह नियुक्ति के लिये विज्ञापन वगैरह करे? यदि नहीं लिखा था तो क्यों नहीं लिखा था और कब तक यह नियुक्ति हो जायेगी?

श्री माधव राव सिंधिया: सर, सी॰एम॰डी॰ ने 24 दिसम्बर को स्वयं, स्वेच्छा से त्यागपत्र दिया। इसलिये उस समय हम लोग तैयारी नहीं कर पाये। जो माननीय सदस्य कहते हैं, मैं पूरी तरह से सहमत हूं कि रिटायरमेंट के पूर्व से यह प्रक्रिया प्रारम्भ होनी चाहिये।

श्री राघवजी: कब तक नियुक्ति करेंगे?

श्री सभापति: जल्दी से जल्दी।

श्री माधव राव सिंधिया: पब्लिक इंटरप्राइसेज सलेक्शन बोर्ड इस माह के मध्य तक इंटरव्यू होल्ड करने वाला है। उसके बाद जो पैनल आयेगा, उनसे कंसलटेशन करके, विचार-विमर्श करके फिर अप्वाइंटमेंट किया जायेगा।

SHRI KAMAL MORARKA: My supplementary is related to the main question. The main question has not been answered. Part (a) of the main question is: Whether the concept appointing Chief Excutive from amongst the technocrats has been given up. In answer to both (a) and (b) parts, the Minister says the Chairman-cum-Managing Director is appointed by the PESB. He should say either the concept of appointing technocrats never existed or he should say the concept has been given up. Part (a) of the question has not been answered. Nor has part (d) been answered. Part (d) says "what are the principles laid down for the appointment of the Board?" They say the Board consists of eight Directors. I think somebody in the Ministry is not even drafting the answer properly and the Parliament is just being taken for granted. They are wasting the public money. We have not even got answer to the main question. If the Minister replies to the main question, I will be happy. This is my supplementary.

SHRI MADHAVRAO SCINDIA: Obviously there is nothing mandatory

whether the technocrat is to be appointed or not. It is done in consultation with the PESB and they don't have to confine themselves to the technocrats.

SHRI KAMAL MORARKA: He has not answered part (b) of the question.

MR. CHAIRMAN: It is neither accepted nor shelved. It is under consideration.

SHRI ANAND PRAKASH GAUTAM: Observation of reservation policy at various levels in Government departments and of public sector undertakings is a Constitutional obligation of the Government. I want to know whether the Government has instructed observation of reservation policy in the appointment of Directors of the Board. I would also like to know whether any Director belonging to SC/ST is in the present Board. Part (c) of my question is whether any attempt has been made to fulfil this obligation of the Government.

SHRI MADHAVRAO SCINDIA: There are three types of Directors—functional Directors, Government Directors and non-official Directors. The Board of Directors is not appointed in consultation with the Public Enterprises Selection Board. It is an Appointments Committee, which appoints the Board.

MR. CHAIRMAN: His question is about SC/ST. Will you try to see that those belonging to SC/ST get a chance?

SHRI MADHAVRAO SCINDIA: I would take it that earlier they must have paid attention to it. But whenever the Boards are appointed, I would certainly see that utmost importance is paid to this aspect. *(Interruptions)*

MR. CHAIRMAN: He has said he will take full care.

SHRI N. K. P. SALVE: My supplementary relates to part (c) of the question in respect of the functioning of the Board of Directors. Not long ago the Chairman of Indian Airlines, Air Marshal Ramdass, resigned. He was one of the ablest men of Indian aviation and was a man of highest integrity.

SHRI N. K. P. SALVE: In the papers it is said that he resigned because the Ministry intervened whereas he and the Board wanted to take action against the pilots who were holding the nation to ransom. May I, therefore, know from the Minister as to what is the extent of autonomy of the Board of Directors in the matter of dealing with the employees who create such havoc with the nation's economy and with the functioning of the Indian Airlines?

SHRI MADHAVRAO SCINDIA: Certainly a discipline is exerted by the Board of Directors. But I do not know whether he was talking now about the Ministry or the Board of Directors.

SHRI N. K. P. SALVE: About the Board of Directors. I thought I was very simple.....*(Interruption)*....The extent of autonomy and interference by the Ministry.

SHRI MADHAVRAO SCINDIA: We would like to give full autonomy to the Board of Directors. However, when a crisis occurs, I don't think the Ministry can remain entirely silent. Now as far as the hon. Member's question is concerned about air Marshal Ramdass, I would like to point out that there is a recorded minute to this effect signed by Capt. Kacker, the Director (Operations) and the Director (Personnel) in which the Ministry only came into the scene after the CMD, that is, at that time, Air Marshal Ramdass apprised the Secretary, Ministry of Civil Aviation of deadlock in the talks between the management and the ICPA and the CMD also mentioned that he had told the ICPA representatives to meet the Secretary, Ministry of Civil Aviation and the latter to see them, with a view, to normalise the situation. So it is on a specific request that the Secretary, Civil Aviation met the pilots.

MR. CHAIRMAN: Q.No. 443.

DOT's demand for Rs. 40,000 crore

*443. SHRI V. NARAYANASAMY: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that Department of Telecommunications are demanding Rs. 40,000 crores to meet their growing demand for telephone connections; and

(b) if so, whether Government propose to allow DOT to mobilise resources in the market for this purpose?